

UNITED PRESS INTERNATIONAL  
4 May 1985

SELF-STYLED "SPY" WANTED IN FRAUD CASE  
TAMPA, FL

A man who claimed he spied for the CIA for 30 years is believed to have fled in disguise to West Germany after jumping \$750,000 bail in a fraud case, the Tampa Tribune reported today.

Details of the strange case of Ernest R. Keiser began surfacing with the arrest of Chicago certified public accountant Gerald Hinshaw. A federal magistrate in Chicago Friday ordered Hinshaw, who allegedly had been involved in several business deals with Keiser, held without bail and transported to Tampa to face obstruction of justice charges.

The Justice Department has accused Hinshaw and Vicki David, a Washington, D.C., real estate agent, with helping Keiser flee the country. The FBI is still looking for David, the newspaper said.

Keiser was charged in Tampa last July with attempting to extort \$60,000 from Donald Regar, former president of the defunct Metropolitan Bank, by claiming he could fix Regar's pending bank fraud case.

Keiser allegedly told Regar he was working for federal authorities in a plot to entice Robert Vesco, the fugitive financier, back to the United States to face criminal charges. Regar was to earn his freedom from prosecution by helping in the Vesco operation, Keiser allegedly told Regar.

That story had a certain ring of credibility because Keiser has been credited by high level Justice Department officials with luring Edwin Wilson, a renegade former CIA operator, from a Libyan hideout to arrest and conviction in the United States in a daring 1982 operation, the Tribune said.

Regar notified authorities and secretly recorded payment of a check for \$60,000, leading to Keiser's arrest. Regar later was given probation after pleading guilty to bank fraud charges and agreeing to cooperate in the continuing investigation of the Feb. 13, 1983, collapse of the Metropolitan Bank.

According to an FBI affidavit and federal agents, Keiser was outfitted with a wig, disguised with makeup and given a false passport before abandoning his \$300,000 home in McLean, Va., near CIA headquarters.

Keiser then reportedly went to Canada before flying to West Germany with his wife, his mother-in-law, his valet and Hinshaw. Hinshaw returned to his Illinois home a week ago, according to his lawyer, in the mistaken belief that powerful friends of Keiser had fixed the case.

Authorities believe the Keiser group is living near Bonn, West Germany.

The Justice Department also has warrants outstanding for Daniel Stephen Drake, described as Keiser's constant companion and valet, and for Keiser's Ecuadorian-born wife, Bahira, 47.

Continued

2.

Keiser is a man of mysterious origins, the newspaper said. He has given two birthdates that would make him either 61 or 66. He claims to be of German parentage, American birth and South American upbringing. He has claimed to have served in the German army but also has claimed to be Jewish.

His 12-page dossier describes his participation in espionage and drug interdiction missions in most of the exotic ports of call of the Middle East and South America. But CIA officials, in court documents, have dismissed his claims as fiction concocted to bail himself out of difficulties, the Tribune reported.

But it was Keiser's involvement in the capture of Wilson that helped him win his release from jail in the Tampa fraud charge by signing an unsecured \$1 million bond and putting up his house.